## REMARKS

Claims 1-20 are pending in the application. Claims 1-20 are rejected by the Examiner.

Claims 1-20 are rejected under 35 USC 102(b) as being anticipated by Vaziri et al. (WO 98/37665).

Vaziri teaches a system in which two endpoints connect through the PSTN and then agree to, or are automatically directed to, establish a connection over a data network.

Applicants had previously amended the claims to require that the call be rejected and detected as rejected prior to call completion. It is believed that there is some difference between the definition of 'call completion' used by the Examiner and that employed by the Applicant.

On page 8 of the office action, in rebuttal of the Applicants' remarks, it was stated, "While Vaziri teaches the method where the users agree to switch and then activate their ISBs, and Vaziri also teaches the method where the switching is done automatically (page 6, lines 15-17)."

Referring to the text on page 6, lines 15-17, Vaziri states, "In an alternative embodiment, the ISB may be configured to establish a connection over a secondary network automatically unless commanded not to prior to the call being placed." However, the text continues, "In either case the called telephone can answer or simply ring before the telephone call can be switched to a secondary network or the Internet [emphasis added]." The call cannot be switched until the called phone either rings alone, or rings and is answered. This is not call completion.

As defined by those skilled in the art, call completion is the completion of the connection that causes the called phone to 'alert' or ring. See International Telecommunications Union (ITU) documents Q.1 or H.450.9. Applicants' previous language as to 'prior to call completion,' was intended to require that the call be rejected prior to the alert state being reached.

To apply the definition of call completion as it appears to be interpreted in the office action, there is still no call rejection by Vaziri. The call is completed in that the phone rings, to notify the ISB that it is to switch automatically, if commanded to do so prior to the call being made, or the phone answers first.

In order to further clarify the difference between 'prior to call completion' and 'rejecting the call,' claims 1, 6, 11, 14, 17 and 20 have been amended to further require that a 'rejection signal' be explicitly transmitted from the destination phone, or received at the origination phone, prior to the call being completed between the two phones. It is the reception of this rejection signal that triggers the transfer of the call to the data network.

Vaziri does not show, teach nor suggest a rejection signal. This amendment is supported in the specification on page 3, lines 14-15, as an example, among many others. As claims 1, 6, 11, 14, 17 and 20 have been amended to require a rejection signal, it is submitted that these claims are patentably distinguishable over the prior art and request allowance of these claims.

Claims 2-5 depend from claim 1 and inherently include all of the limitations of the independent claim not shown by the prior art, much less the further features contained in the dependent claims 2-5. It is therefore submitted that claims 2-5 are patentably distinguishable over the prior art and allowance of these claims is requested.

Claims 7-10 depend from claim 6 and inherently include all of the limitations of the independent claim not shown by the prior art, much less the further features contained in the dependent claims 7-10. It is therefore submitted that claims 7-10 are patentably distinguishable over the prior art and allowance of these claims is requested.

Claims 12-13 depend from claim 11 and inherently include all of the limitations of the independent claim not shown by the prior art, much less the further features contained in the

dependent claims 12-13. It is therefore submitted that claims 12-13 are patentably distinguishable over the prior art and allowance of these claims is requested.

Claims 15-16 depend from claim 14 and inherently include all of the limitations of the independent claim not shown by the prior art, much less the further features contained in the dependent claims 15-16. It is therefore submitted that claims 15-16 are patentably distinguishable over the prior art and allowance of these claims is requested.

Claims 18-19 depend from claim 17 and inherently include all of the limitations of the independent claim not shown by the prior art, much less the further features contained in the dependent claims 18-19. It is therefore submitted that claims 18-19 are patentably distinguishable over the prior art and allowance of these claims is requested.

## Conclusion

No new matter has been added by this amendment. Allowance of all claims is requested. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

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Respectfully submitted,

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